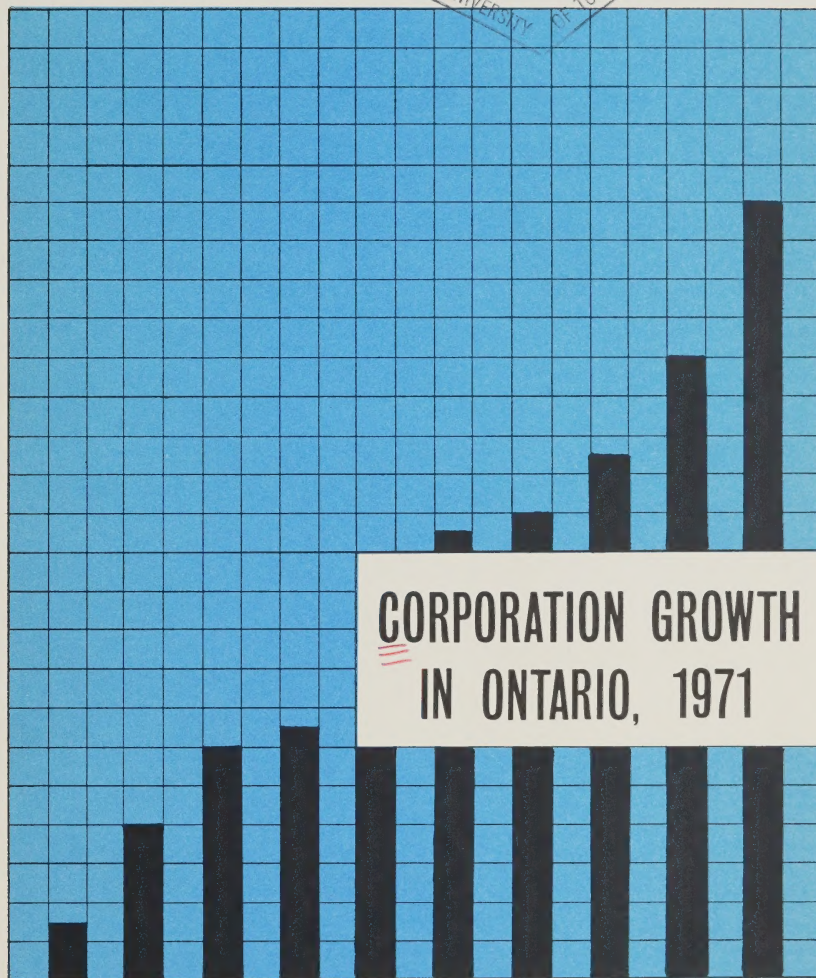
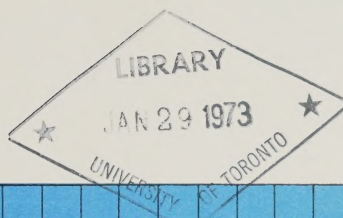


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CORPORATION GROWTH IN ONTARIO, 1971



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CORPORATION GROWTH IN ONTARIO, 1971

MINISTRY OF TREASURY, ECONOMICS
AND INTERGOVERNMENTAL AFFAIRS

Hon. Charles S. MacNaughton
Treasurer of Ontario and Minister of Economics
and Intergovernmental Affairs

H. Ian Macdonald
Deputy Minister

<u>CONTENTS</u>	PAGE
PREFACE	1
INTRODUCTION	2
DEFINITIONS	3
STATISTICAL HIGHLIGHTS	5
TABLE 1 NEW CORPORATIONS, ONTARIO, 1951-1971	10
2 NEW CORPORATIONS INCORPORATED IN ONTARIO, 1971	11
3 PER CENT CHANGE IN THE NUMBER OF ACTIVE CORPORATIONS BY YEAR, ONTARIO, 1951-1971	11
4 PER CENT DISTRIBUTION OF ACTIVE CORPORATIONS BY TYPE, ONTARIO, 1969-1971	13
5 PER CENT CHANGE IN THE NUMBER OF ACTIVE CORPORATIONS BY TYPE, ONTARIO, 1969-1971	14
6 ACTIVE CORPORATIONS BY JURISDICTION UNDER WHICH INCORPORATED PER CENT DISTRIBUTION, ONTARIO, 1969-1971	15
7 NUMBER OF ACTIVE CORPORATIONS BY JURISDICTION UNDER WHICH INCORPORATED, ONTARIO, 1969-1971	16
8 GROWTH IN POPULATION, EMPLOYMENT AND CORPORATIONS, ONTARIO, 1951-1971	18

SYMBOLS USED IN REPORT

- Nil or zero
- Amount too small to be expressed

PREFACE

This is the third statistical report on corporations in Ontario published by the Ontario Statistical Centre. The report is the result of a joint effort of the Ontario Statistical Centre and the Companies Division of the Ministry of Consumer and Commercial Relations.

We are deeply indebted to the Ministry of Consumer and Commercial Relations for their co-operation and participation in this project. Special thanks are due to Mr. C.R.B. Salter, Q.C., Executive Director, Mr. H.H. Ozolins, Deputy Director, Administration, and other members of the Companies Division. Only through their unreserved co-operation was the preparation of this report possible.

The report was prepared by Mr. N. Ferik, with the assistance of Mr. D.S. MacInnes, Statistician, and the clerical and secretarial staff of the Surveys and Statistical Standards Section, under the direction of Mr. G.Z. Szabo.

K. Cheng
Director
Ontario Statistical Centre

November 15, 1972

INTRODUCTION

This report provides information on the growth of corporations in Ontario, their composition by type and by year, formation of new corporations, and incorporations by jurisdiction . Statistics on the growth of corporations were compiled from the administrative records of the Companies Division, Ministry of Consumer and Commercial Relations.

As a result of the practice established by the Ministry of Consumer and Commercial Relations of compiling corporation data at the end of each fiscal year, all forthcoming reports on Ontario corporations will be published on a fiscal year basis. Corporation statistics for the fiscal year ending March 31, 1972 have been introduced in this report.

More details about the formation of new corporations such as amalgamations and revivals are included in this 1971 report. The table on public and private companies shown in previous reports has been excluded, as this distinction is no longer recognized in the new Ontario Business Corporations Act.

DEFINITIONS

A corporation is created by filing articles of incorporation; by filing a memorandum of association; or by issuing letters patent of incorporation. The incorporating instrument - articles, memorandum or letters patent, depending upon the particular provincial or federal statute - sets forth the objects of the corporation, and certain provisions for the regulation and conduct of its affairs, and in the case of a corporation with share capital, the amount of capital it is authorized to issue.

There are several types of corporations. The main distinction is between corporations with share or without share capital.

In this report, the following definitions will apply:

COMPANY: An Ontario corporation with share capital, other than those listed below.

CORPORATION: A corporation with or without share capital, but in Tables 2, 4 and 5 "corporation" means an Ontario corporation without share capital, other than those listed below.

CREDIT UNION: An Ontario corporation incorporated under the Credit Unions Act.

INSURANCE COMPANY: An Ontario corporation incorporated for the purpose of underwriting insurance of any type under the Insurance Act. Insurance Agents, Brokers or Adjusters are excluded.

MINING COMPANY: An Ontario corporation subject to Part IV of the Corporations Act or the predecessor thereof (Part XI of the Companies Act).

SOCIAL CLUB COMPANY: An Ontario corporation with share capital, having social objects.

SOCIAL CLUB CORPORATION: An Ontario corporation without share capital, having social objects. Service clubs are excluded.

CO-OPERATIVE WITHOUT SHARE CAPITAL: An Ontario co-operative corporation without share capital.

CO-OPERATIVE WITH SHARE CAPITAL: An Ontario co-operative corporation with share capital.

COMPANY WITH AN EXTRA-PROVINCIAL LICENCE: A corporation incorporated outside the Province of Ontario which has an Ontario licence to carry on any of its business in Ontario. Excluded are Quebec and federally incorporated corporations which do not require extra-provincial licences.

CORPORATION HOLDING LICENCE IN MORTMAIN: A corporation with or without share capital, incorporated outside Ontario which holds licence in Mortmain. Licence in Mortmain empowers a foreign corporation to hold land in Ontario. This includes federally incorporated corporations but excludes corporations incorporated in Quebec on a basis of the reciprocal agreement between the provinces of Ontario and Quebec.

PRIVATE LOAN COMPANY: An Ontario private loan corporation with limited objects - with power to lend and invest money on mortgage of real estate or otherwise, subject to section 3 of the Corporation Act.

MINING SYNDICATE: An Ontario mining corporation whose existence is limited to three years.

OTHERS: Composed mainly of unlicensed Federal and Quebec corporations with and without share capital, etc.

AMALGAMATION: An Ontario corporation formed from any two or more corporations which combined to operate as one corporation.

REVIVAL: An Ontario corporation reactivated after being dissolved for not filing its annual return under the Business Corporations Information Act.

STATISTICAL HIGHLIGHTS

The recovery from the 1970 economic slowdown is reflected in the substantial increase in the number of new corporations formed in Ontario in 1971. The fiscal year figures also indicate continuing business expansion in the Province (See Table 1).

Table 2 shows that in 1971, more than eighty-five hundred companies (corporations with share capital) were incorporated in Ontario, accounting for 93% of the total new corporations established in the Province. Seventy-eight corporations were formed by merging two or more corporations, while fifty-one corporations were reactivated after being dissolved for not filing their annual returns under the Business Corporations Information Act. At the end of the fiscal year 1971-72, the number of amalgamations nearly doubled.

The composition of active corporations by type remained essentially the same in 1971 as in 1969 and 1970. Mining syndicates constituted an insignificant portion of active corporations and their number has been reduced by half from 1969 to 1971. Only three remained in operation at the end of the fiscal year 1971-72. Mining syndicates have fallen into disuse as a corporate vehicle largely because of the limitations on the amount of money they can raise for mining exploration.

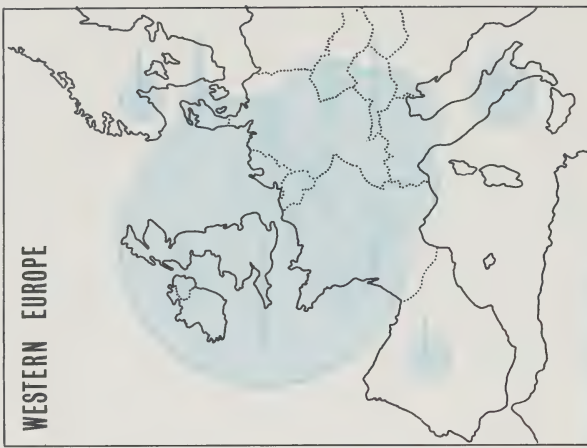
As of January 1, 1971, there are no provisions for incorporating mining syndicates in Ontario. A downward trend is also noticeable in credit unions, mining companies, social club companies and co-operatives without share capital.

Table 7 shows that the active corporations in Ontario, were incorporated under 77 jurisdictions. In 1971, corporations incorporated in New Zealand, Hong Kong and South Korea were established for the first time in Ontario. At the same time, corporations with charters from Alaska, Utah and Holland ceased their operations in Ontario.

There has been little change in the distribution of active corporations by jurisdiction from 1969 to 1971 (See Table 6). Those incorporated in Ontario accounted for 89% of corporations in operation in the Province. Of the remaining 11% which were incorporated outside the Province, 8% operated under the federal jurisdiction, 2% were incorporated in other provinces of Canada and 1% outside Canada, with the latter consisting mostly of United States jurisdictions. Delaware, Michigan, New York, Ohio and Illinois were responsible for a considerable number of United States corporations operating in Ontario. Of the other jurisdictions, Great Britain and Bahama Islands emerged as undisputed leaders. At the end of the fiscal year 1971-72, the proportion of active corporations holding Ontario licences increased slightly in relation to those incorporated outside the Province.

In 1971, there was an average of 65 persons per corporation in Ontario. In the last 20 years population and employment have both increased by 68%, while the number of corporations active in the Province has increased five-fold (See Table 8).

WESTERN EUROPE



DISTRIBUTION OF ACTIVE CORPORATIONS BY JURISDICTION
UNDER WHICH INCORPORATED, 1974



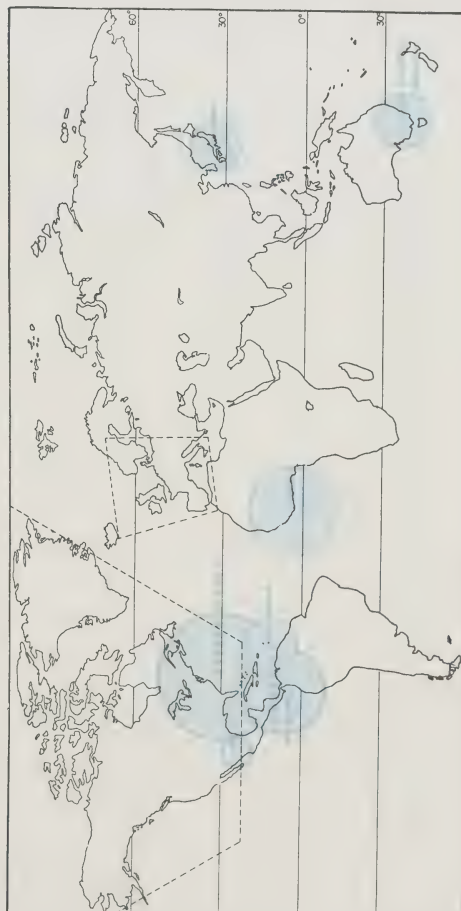
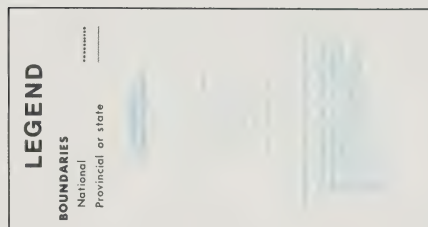
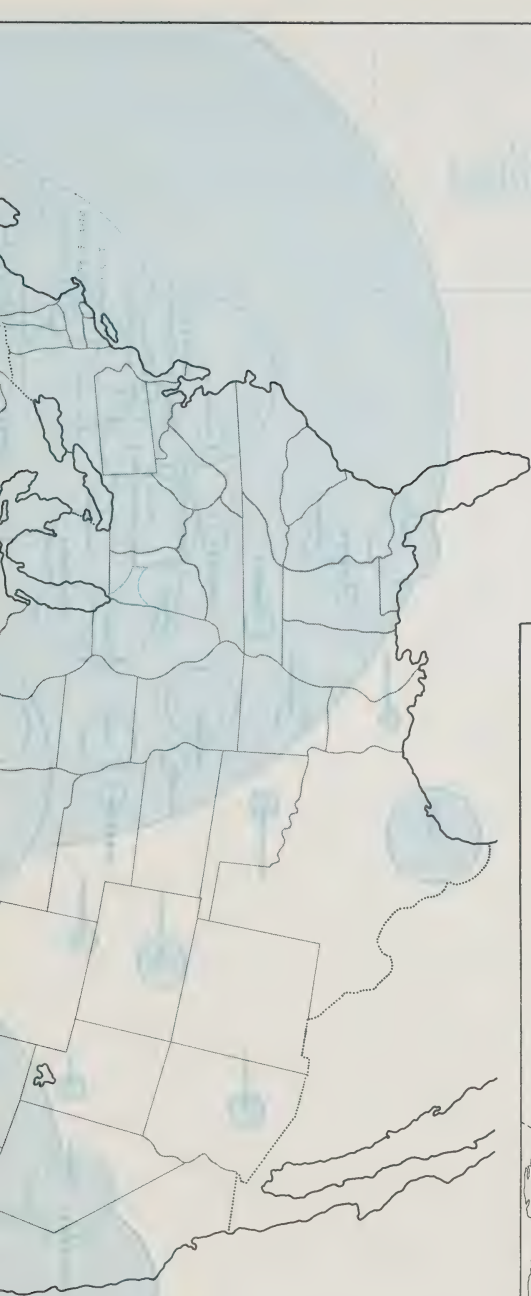


TABLE 1
NEW CORPORATIONS, ONTARIO, 1951-1971

YEAR	CORPORATIONS INCORPORATED IN ONTARIO		CORPORATIONS INCORPORATED OUTSIDE ONTARIO				TOTAL	
			CORPORATIONS HOLDING LICENCE IN MORTMAIN		COMPANIES WITH AN EXTRA-PROVINCIAL LICENCE			
	NUMBER	PER CENT CHANGE	NUMBER	PER CENT CHANGE	NUMBER	PER CENT CHANGE	NUMBER	PER CENT CHANGE
		<u>%</u>		<u>%</u>		<u>%</u>		<u>%</u>
1951	1,779		146		62		1,987	
1952	1,772	- 0.4	164	12.3	69	11.3	2,005	0.9
1953	2,113	19.2	149	- 9.1	99	43.5	2,361	17.8
1954	3,613	71.0	181	21.5	86	-13.1	3,880	64.3
1955	3,811	5.5	249	37.6	110	27.9	4,170	7.5
1956	4,788	25.6	222	-10.8	149	35.5	5,159	23.7
1957	5,219	9.0	232	4.5	128	-14.1	5,579	8.1
1958	4,368	-16.3	203	-12.5	137	7.0	4,708	-15.6
1959	5,916	35.4	175	-13.8	150	9.5	6,241	32.6
1960	6,417	8.5	238	36.0	160	6.7	6,815	9.2
1961	5,736	-10.6	198	-16.8	166	3.8	6,100	-10.5
1962	6,019	4.9	206	4.0	141	-15.1	6,366	4.4
1963	5,903	- 1.9	199	- 3.4	171	21.3	6,273	- 1.5
1964	6,229	5.5	204	2.5	172	0.6	6,605	5.3
1965	7,276	16.8	223	9.3	177	2.9	7,676	16.2
1966	7,309	0.5	244	9.4	193	9.0	7,746	0.9
1967	7,425	1.6	217	-11.1	173	-10.4	7,815	0.9
1968	7,699	3.7	202	- 6.9	185	6.9	8,086	3.5
1969	9,593	24.6	249	23.3	212	14.6	10,054	24.3
1970	8,091	-15.7	290	16.5	273	28.8	8,654	-13.9
1971	9,152	13.1	212	-26.9	266	- 2.6	9,630	11.3
1971-72*	11,030		231		263		11,524	

Note: Figures for corporations which are not holding license in Ontario are not available.

* Fiscal year ending March 31.

TABLE 2

NEW CORPORATIONS INCORPORATED IN ONTARIO, 1971

TYPE	1971		1971-72 *	
	NUMBER	PER CENT DISTRIBUTION	NUMBER	PER CENT DISTRIBUTION
INCORPORATIONS		<u>%</u>		<u>%</u>
Corporations (1)	504	5.5	605	5.5
Companies	8,519	93.1	10,231	92.8
AMALGAMATIONS	78	0.8	148	1.3
REVIVALS	51	0.6	46	0.4
TOTAL	9,152	100.0	11,030	100.0

* Fiscal year ending March 31.

(1) Without share capital.

TABLE 3

PER CENT CHANGE IN THE NUMBER OF ACTIVE
CORPORATIONS BY YEAR, ONTARIO, 1951-1971

YEAR	NUMBER	PER CENT CHANGE
	<u>000's</u>	<u>%</u>
1951	26	
1956	38	46.2
1957	43	13.2
1958	47	9.3
1959	53	12.8
1960	59	11.3
1961	63	6.8
1962	67	6.3
1963	72	7.5
1964	76	5.6
1965	81	6.6
1966	87	7.4
1967	93	6.9
1968	98	5.4
1969	105	7.1
1970	113	7.6
1971	119	5.3
1972 *	124	

* At the end of the fiscal year 1971-72.

GROWTH OF CORPORATIONS IN ONTARIO, 1951 - 1971

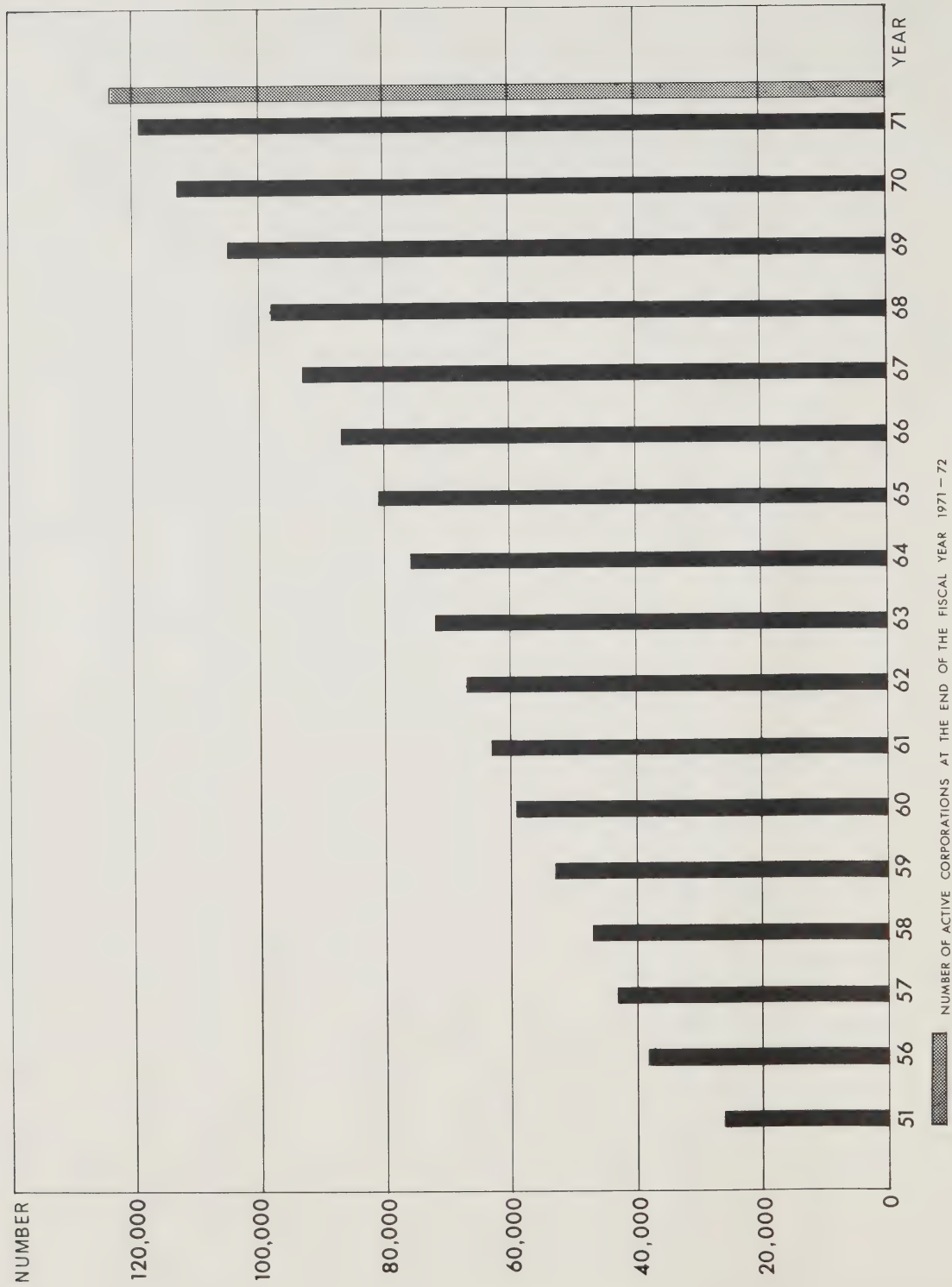


TABLE 4
PER CENT DISTRIBUTION OF ACTIVE CORPORATIONS BY TYPE, ONTARIO, 1969-1971

TYPE	1969		1970		1971		1972 *	
	NUMBER	PER CENT DISTRIBUTION %	NUMBER	PER CENT DISTRIBUTION %	NUMBER	PER CENT DISTRIBUTION %	NUMBER	PER CENT DISTRIBUTION %
<u>Incorporated in Ontario</u>								
Companies	83,109	78.9	89,162	79.2	94,659	79.5	99,124	79.9
Corporations (1)	4,828	4.6	5,132	4.6	5,512	4.6	5,749	4.6
Credit Unions	1,642	1.6	1,571	1.4	1,485	1.2	1,468	1.2
Insurance Companies	118	0.1	117	0.1	127	0.1	130	0.1
Mining Companies	1,507	1.4	1,497	1.3	1,396	1.2	1,355	1.1
Social Club Companies	306	0.3	303	0.3	296	0.3	291	0.2
Social Club Corporations	1,825	1.7	1,924	1.7	2,022	1.7	2,084	1.7
Co-Operatives without Share Capital	236	0.2	206	0.2	183	0.2	164	0.2
Co-Operatives with Share Capital	133	0.1	136	0.1	125	0.1	123	0.1
Private Loan Companies	457	0.5	462	0.4	467	0.4	482	0.4
Mining Syndicates	10	--	7	--	5	--	3	--
TOTAL	<u>94,171</u>	89.4	<u>100,517</u>	89.3	<u>106,277</u>	89.3	<u>110,993</u>	89.5
<u>Incorporated outside Ontario</u>								
Companies with an Extra-Provincial Licence	1,473	1.4	1,665	1.5	1,788	1.5	1,817	1.5
Corporations holding Licence in Northain	2,704	2.6	2,813	2.5	2,868	2.4	2,882	2.3
Others	6,943	6.6	7,605	6.7	8,111	6.8	8,344	6.7
TOTAL	<u>11,120</u>	10.6	<u>12,083</u>	10.7	<u>12,767</u>	10.7	<u>13,043</u>	10.5
GRAND TOTAL	<u>105,291</u>	100.0	<u>112,600</u>	100.0	<u>119,044</u>	100.0	<u>124,036</u>	100.0

* At the end of the fiscal year 1971-72.

(1) Without share capital.

TABLE 5

PER CENT CHANGE IN THE NUMBER OF ACTIVE CORPORATIONS BY TYPE, ONTARIO, 1969-1971

TYPE	1969		1970		1971	
	NUMBER	PER CENT ⁽¹⁾ CHANGE	NUMBER	PER CENT ⁽¹⁾ CHANGE	NUMBER	PER CENT ⁽¹⁾ CHANGE
<u>Incorporated in Ontario</u>		%		%		%
Companies	83,109	8.3	89,162	7.3	94,659	6.2
Corporations (2)	4,828	3.8	5,132	6.3	5,512	7.4
Credit Unions	1,642	- 0.9	1,571	- 4.3	1,485	- 5.5
Insurance Companies	118	1.7	117	- 0.8	127	8.5
Mining Companies	1,507	- 3.6	1,497	- 0.7	1,396	- 6.7
Social Club Corporations	306	- 2.5	303	- 1.0	296	- 2.3
Social Club Corporations	1,825	- 0.8	1,924	5.4	2,022	5.1
Co-Operatives without						
Share Capital	236	- 1.3	206	-12.7	183	-11.2
Co-Operatives with						
Share Capital	133	-	136	2.3	125	- 8.1
Private Loan Companies	457	- 0.7	462	1.1	467	1.1
Mining Syndicates	10	-	7	-30.0	5	-28.6
TOTAL	<u>94,171</u>	7.3	<u>100,517</u>	6.7	<u>106,277</u>	5.7
<u>Incorporated outside Ontario</u>						
Companies with an Extra-						
Provincial Licence	1,473	0.6	1,665	13.0	1,788	7.4
Corporations holding						
Licence in Mortmain	2,704	2.1	2,813	4.0	2,868	2.0
Others	6,943	4.9	7,605	9.5	8,111	6.7
TOTAL	<u>11,120</u>	3.6	<u>12,083</u>	8.7	<u>12,767</u>	5.7
GRAND TOTAL	105,291	6.9	112,600	6.9	119,044	5.7

(1) Per cent change from previous year. (2) Without share capital.

TABLE 6

ACTIVE CORPORATIONS⁽¹⁾ BY JURISDICTION UNDER WHICH INCORPORATED
PER CENT DISTRIBUTION, ONTARIO, 1969-1971

JURISDICTION	1969			1970			1971			1972 ⁽²⁾		
	NUMBER	PER CENT DISTRIBUTION		NUMBER	PER CENT DISTRIBUTION		NUMBER	PER CENT DISTRIBUTION		NUMBER	PER CENT DISTRIBUTION	
Canada	8,428	8.5	%	8,989	8.4	%	9,768	8.3	%	9,950	8.2	%
Ontario	87,617	89.1		95,017	89.2		104,515	89.2		109,252	89.5	
Quebec	690	0.7		742	0.7		835	0.7		840	0.7	
British Columbia	211	0.2		259	0.2		325	0.3		336	0.3	
Alberta	177	0.2		212	0.2		257	0.2		266	0.2	
Manitoba	246	0.2		256	0.2		295	0.3		299	0.2	
Delaware	181	0.2		207	0.2		232	0.2		236	0.2	
Illinois	50	0.1		51	0.1		56	--		56	--	
Michigan	53	0.1		55	0.1		65	0.1		67	0.1	
New York	119	0.1		127	0.1		132	0.1		132	0.1	
Ohio	63	0.1		66	0.1		74	0.1		73	0.1	
Great Britain	53	0.1		50	0.1		57	0.1		57	--	
Others	425	0.4		453	0.4		502	0.4		514	0.4	
TOTAL	98,313	100.0		106,484	100.0		117,113	100.0		122,078	100.0	
											100.0	

(1) Only jurisdictions with more than 45 corporations are listed.

(2) At the end of the fiscal year 1971-72.

TABLE 7
NUMBER OF ACTIVE CORPORATIONS⁽¹⁾ BY JURISDICTION UNDER
WHICH INCORPORATED, ONTARIO, 1969-1971

JURISDICTION	1969	1970	1971	1972 ⁽²⁾
Canada (federally incorporated)	8,428	8,989	9,768	9,950
Ontario	87,617	95,017	104,515	109,252
Quebec	690	742	835	840
British Columbia	211	259	325	336
Newfoundland	6	9	8	8
Nova Scotia	28	28	33	33
New Brunswick	23	27	28	29
Alberta	177	212	257	266
Manitoba	246	256	295	299
Saskatchewan	33	36	35	40
Northwest Territories	1	1	1	1
Prince Edward Island	1	1	2	2
CANADA TOTAL	<u>97,461</u>	<u>105,577</u>	<u>116,102</u>	<u>121,056</u>
Alabama	1	1	1	1
Alaska	-	1	-	-
Arizona	2	2	2	2
Arkansas	1	1	2	2
California	32	35	40	44
Colorado	3	3	5	3
Connecticut	6	6	7	8
Delaware	181	207	232	236
Florida	10	14	14	14
Georgia	2	4	3	3
Illinois	50	51	56	56
Indiana	7	9	13	15
Iowa	11	10	10	10
Kansas	2	2	2	2
Kentucky	2	2	3	3
Louisiana	1	1	1	1
Maine	4	6	6	6
Maryland	7	7	7	9
Massachusetts	10	9	11	11
Michigan	53	55	65	67
Minnesota	15	18	19	20
Missouri	17	16	16	15
Nebraska	2	2	1	1
Nevada	9	10	11	11
New Jersey	18	19	27	28
New York	119	127	132	132
North Dakota	2	2	2	2

TABLE 7 - Continued - NUMBER OF ACTIVE CORPORATIONS⁽¹⁾ BY JURISDICTION UNDER WHICH INCORPORATED, ONTARIO, 1969-1971

JURISDICTION	1969	1970	1971	1972 ⁽²⁾
Ohio	63	66	74	73
Oklahoma	2	1	2	1
Oregon	-	1	1	1
Pennsylvania	37	35	37	36
Rhode Island	2	2	2	2
Tennessee	3	3	3	3
Texas	12	13	17	17
Utah	1	1	1	-
Vermont	1	1	1	1
Virginia	3	2	2	2
Washington	3	3	4	4
West Virginia	3	3	3	3
Wisconsin	20	20	19	17
Wyoming	1	1	1	1
District of Columbia	2	2	2	3
UNITED STATES TOTAL	<u>720</u>	<u>774</u>	<u>857</u>	<u>866</u>
Great Britain	53	50	57	57
Ireland	1	1	1	1
France	2	2	2	2
Spain	1	1	1	1
West Germany	6	6	9	11
Italy	2	2	2	2
Holland	3	3	4	-
Belgium	1	1	1	1
Switzerland	6	6	8	7
Liechtenstein	6	7	8	9
Sweden	1	1	1	2
Denmark	1	1	1	1
Liberia	1	2	4	4
Japan	1	1	1	1
New South Wales	1	1	1	1
Hong Kong	-	-	-	1
South Korea	-	-	-	1
New Zealand	-	-	-	1
Panama	8	8	9	11
Mexico	1	1	1	1
Bahama Islands	32	32	36	34
Jamaica	1	1	1	1
Bermuda	4	6	6	6
OTHERS TOTAL	<u>132</u>	<u>133</u>	<u>154</u>	<u>156</u>
GRAND TOTAL	98,313	106,484	117,113	122,078

(1) Corporations which are required to submit annual returns under the Corporations Information Act. Corporations which are exempt from filing a return under Section 3 of the Act are excluded.

(2) At the end of the fiscal year 1971-72.

TABLE 8

GROWTH IN POPULATION, EMPLOYMENT AND CORPORATIONS, ONTARIO, 1951-1971

YEAR	POPULATION (2)		EMPLOYMENT (3)		CORPORATIONS	
	NUMBER	PER CENT (1) CHANGE	NUMBER	PER CENT (1) CHANGE	NUMBER	PER CENT (1) CHANGE
	000 's	%	000 's	%	000 's	%
1951	4,598		1,838		26	46.2
1956	5,405	17.6	2,096	14.0	38	46.2
1957	5,636	4.3	2,161	3.1	43	13.2
1958	5,821	3.3	2,142	- 0.9	47	9.3
1959	5,969	2.5	2,198	2.6	53	12.8
1960	6,111	2.3	2,249	2.3	59	11.3
1961	6,236	2.0	2,269	0.9	63	6.8
1962	6,351	1.8	2,317	2.1	67	6.3
1963	6,481	2.0	2,382	2.8	72	7.5
1964	6,631	2.3	2,473	3.8	76	5.6
1965	6,788	2.3	2,548	3.0	81	6.6
1966	6,961	2.5	2,651	4.0	87	7.4
1967	7,127	2.4	2,745	3.5	93	6.9
1968	7,262	1.9	2,830	3.1	98	5.4
1969	7,385	1.7	2,936	3.7	105	7.1
1970	7,551	2.2	2,996	2.0	113	7.6
1971	7,703	2.0	3,079	2.8	119	5.3

(1) Per cent change from the previous year.

(2) Source: Ontario Statistical Review 1971, page 42.

(3) Source: Ontario Statistical Review 1971, page 48.



For copies of this Report, or related statistical
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